

Overview and Frequently Asked Questions

Overview

Oracle Buys Passlogix

Adds enterprise single sign-on and network authentication capabilities to Oracle's Identity Management Suite

On October 5, 2010, Oracle announced the acquisition of Passlogix, adding enterprise single sign-on (ESSO) and strong network authentication capabilities to Oracle's Identity Management Suite. This combination is expected to help enterprises further advance their identity management, compliance and authentication initiatives with even tighter integration.

The transaction has closed.

Driven by regulatory mandates and other legislation – organizations of all sizes, across multiple industries are being pressured to employ stronger authentication for their users. Preventing unauthorized access and reducing security risks caused by weak password selection and improper management has increased the need for a more complete identity management solution with single sign-on capabilities. The key business need is simple, secure access to all applications – including client server, mainframe, desktop and web-based applications.

Passlogix's technology strengthens enterprise security – with strong authentication, better password management and offerings that aid compliance. Passlogix's solutions provide users with simple, secure access to all their applications, along with strong network authentication that supports a variety of credential types.

As a successful Oracle OEM partner for more than three years, this combination is expected to build on integration points that deliver

value to customers, including, the SSO and session management integrations with Oracle Access Manager, the provisioning connector to Oracle Identity Manager, and the data repository support for Oracle Internet Directory. Together, Oracle and Passlogix will be able to deliver further integration to help companies who are looking for simpler password management, seamless sign-on across all their enterprise and web applications, and advanced user and credential management.

The combination of Oracle and Passlogix underscores Oracle's commitment to provide customers with the most comprehensive and advanced identity and access management offering. When combined, it is expected to provide customers with the industry's most complete solution that spans web access management, identity administration, entitlements management, fraud prevention, directory services, platform security services, enterprise single sign-on, and strong network authentication.

ORACLE CUSTOMER BENEFITS

Passlogix technology, when combined with Oracle's Identity Management Solution, is highly complementary and is expected to provide customers with the following benefits:

- Creates a seamless single sign-on solution across all enterprise applications, regardless of application type
- Delivers visible, quick value to users through harmonized and simplified password policies
- Reduced password related support costs
- Improves security with simple and secure access to all applications – using a single identity and password, or stronger credentials such as smartcards or biometrics
- Manages and controls application credentials so users never know or touch them
- Tracks and reports on all application use on a per user basis
- Builds on a successful 3+ years OEM relationship to incorporate best of breed ESSO capabilities into Oracle's comprehensive access management suite
- Expands ESSO and authentication domain expertise and adds highly experienced implementation and support experience

PASSLOGIX CUSTOMER BENEFITS

The combination of Passlogix and Oracle's solutions is expected to provide customers with the following benefits after the transaction closes:

- Increased R&D investment in Passlogix's solutions for a more comprehensive identity and access management offering
- Highly complementary products to Oracle's industry-leading identity management suite with out-of-the box integration with Oracle solutions including Oracle Identity Manager and Oracle Access Manager
- Access to Oracle's 24/7 global support and services organizations

PARTNER BENEFITS

The combination is expected to provide partners with the following benefits:

- Extensive R&D investment from Oracle to further advance Passlogix's product offering
- Highly complementary combination of product offerings delivering a more complete, open, integrated offering with Oracle's Identity Management solutions
- Value-added resellers will gain expanded opportunities to provide solutions in addition to core ESSO
- Access to Oracle's global support and services organizations

BUSINESS RATIONALE

What is the rationale for this acquisition?

Identity and access management is a large and growing segment. Driven by the proliferation of applications requiring authentication, the threat to enterprise security posed by weak password selection and regulatory mandates across many industries – customers are looking for ways to improve overall security while simplifying management tasks across the entire identity lifecycle.

Passlogix's products already integrate with Oracle's Identity and Access Management suite and provide a range of critical sign-on and password management features to customers who require well-integrated identity and security solutions that provide a low cost of ownership and a rapid return on investment.

- Application Sign-On - provides users with a simple, easy to use tool to sign them onto their applications while ensuring that the passwords used are strong and secure
- Strong Network Authentication – supports a variety of credential types, which improves security while providing for more user flexibility
- Application Password Reset – simplifies and automates the process of resetting passwords, helping make the enterprise more secure and reducing help desk costs
- Windows Password Rest – allows users to safely reset their Windows password to gain access to critical network services
- Session Management – controls application sessions on shared or kiosk machines, preventing against inappropriate account access, improving security, and ensuring compliance
- Credential Provisioning – simplifies the process of provisioning and de-provisioning credentials for users by eliminating the need for manual data entry and automating provisioning of strong authentication devices such as smartcards

The acquisition will also fuel innovation. While core SSO presents a well understood set of features and functions, adjacencies are emerging that leverage the same core architecture for features that bend the traditional definition of ESSO such as lightweight user provisioning and simpler, easier, just-in-time client deployments. In addition, single sign-on requirements are moving from traditional PC-based platforms to mobile devices and the cloud, making paramount the need for a flexible, lightweight easy to deploy solution that can run anywhere and on any platform.

Why did Oracle select Passlogix?

Since 2006, Passlogix has been a successful Oracle OEM partner. This transaction will build on that success, optimize existing relationships and extend solution synergies to provide increased value to customers. Passlogix's market-leading solution complements Oracle's Identity Management solution with ESSO. Tighter, more comprehensive integration between Passlogix and Oracle products will enable seamless flows between desktop/application single sign-on (SSO) and web SSO – along with robust user provisioning and application credential management. The planned acquisition of Passlogix allows for deeper integration and better alignment of our technologies for a more complete ESSO offering.

PRODUCT OVERVIEW AND STRATEGY

What products does Passlogix currently develop and support?

Passlogix currently develops and supports Enterprise Single Sign-On (Standard and OnDemand Edition), Provisioning Manager, Self-Service Password Reset, Shared Accounts Manager and Universal Authentication Manager.

How is this acquisition expected to impact on-going development of Passlogix's products?

With this acquisition, Oracle has initiated a review of the Passlogix product portfolio, and when the evaluation is complete, Oracle will be providing guidance to customers in accordance with Oracle's standard product communications policies. Research and development investments in Passlogix's solutions are expected to increase after the closing, as they will then be able to share in Oracle's \$2.7 billion R&D budget.

How does Oracle plan to maintain Passlogix's domain expertise after the closing?

The goal of the combination is to complement Oracle's solutions. Passlogix brings significant domain expertise in the areas of enterprise single sign-on, shared account management and authentication software.

CUSTOMERS AND PARTNERS

How is the proposed transaction between Oracle and Passlogix expected to benefit Passlogix customers?

Passlogix products are complementary to Oracle's identity management offerings and the combined solution is expected to provide a more comprehensive solution than available today.

Passlogix's customers are expected to benefit from the increased investments in R&D and are also expected to receive improved customer support through access to Oracle's 24X7 global support and services organization.

How will Oracle continue to support and broaden relationships with Passlogix partners?

We expect business to continue as usual for Passlogix partners. With the close of the transaction, and to provide for a smooth transition, existing Passlogix partner contracts for support, professional services, and sales are expected to remain in effect until they expire or until further notice. As contact information changes, we will communicate these changes through normal channels. Partners may also use their existing Oracle channels for support to answer any questions.

Partners are essential to Oracle's economic and growth strategy. In addition to increased product support and investment, Passlogix partners are expected to benefit from Oracle PartnerNetwork, our global world-class partner program, which provides access to a broader portfolio of solutions, comprehensive resources to support partner business and opportunities for growth with Oracle.

BUSINESS CONTINUITY

Can I still purchase Passlogix products?

Yes. Please contact your existing Passlogix sales representative to assist you, or visit www.passlogix.com for contact information.

Should Passlogix customers continue to call Passlogix customer support?

Yes, Passlogix customers should continue to use existing Passlogix contacts for support, professional services and sales to address immediate and ongoing needs. We will communicate all changes and transitions occurring after the close of the transaction well in advance through these familiar channels.

Should Passlogix customers continue to contact their Passlogix sales representative?

Yes, customers should continue to rely on existing relationships.

Will training on Passlogix products continue?

Yes, we plan to combine the Passlogix training services with Oracle University. We want to ensure that our customers' software provides the best possible service for their organizations, and we know excellent training is critical to reach that goal.

Will the Passlogix leadership and employees be retained?

The goal of the combination is to complement Oracle offerings. Passlogix's management and employees have significant domain expertise in identity and access management, and are expected to become an integral part of Oracle.

Where can I find out more information about the proposed Oracle and Passlogix combination?

For more information, please visit oracle.com/passlogix

The above is for informational purposes and may not be incorporated into a contract.

IT IS NOT A COMMITMENT TO DELIVER ANY MATERIAL, CODE OR FUNCTIONALITY, AND SHOULD NOT BE RELIED UPON IN MAKING PURCHASING DECISIONS. THE DEVELOPMENT, RELEASE AND TIMING OF ANY FEATURES OR FUNCTIONALITY DESCRIBED FOR ORACLE'S PRODUCTS REMAINS AT THE SOLE DISCRETION OF ORACLE. THE DEVELOPMENT, RELEASE AND TIMING OF ANY FEATURES OR FUNCTIONALITY DESCRIBED FOR PASSLOGIX'S PRODUCTS REMAINS AT THE SOLE DISCRETION OF PASSLOGIX.

Oracle is currently reviewing the existing Passlogix product roadmap and will be providing guidance to customers in accordance with Oracle's standard product communication policies. Any resulting features and timing of release of such features as determined by Oracle's review of Passlogix's product roadmap are at the sole discretion of Oracle.

All product roadmap information, whether communicated by Passlogix or by Oracle, does not represent a commitment to deliver any material, code, or functionality, and should not be relied upon in making purchasing decision. It is intended for information purposes only, and may not be incorporated into any contract.